



The City of Auburn Hills
City Council Meeting
Minutes

January 25, 2016

CALL TO ORDER: Mayor Pro Tem Mitchell at 7:01 p.m.
LOCATION: City Council Chamber, 1827 N. Squirrel Road, Auburn Hills, MI 48326
Present: Mayor Pro Tem Mitchell, Council Members Burmeister, Hammond, Kittle, Knight, Verbeke
Absent: Mayor McDaniel
Also Present: City Manager Tanghe, Police Chief Olko, City Clerk Kowal, Fieldstone Golf Club Manager Marmion, Community Development Director Cohen, City Assessor Lohmeier, Manager of Business Development Carroll, City Engineer Stevens, City Attorney Beckerleg, City Manager Assistant Harris
9 Guests

4. APPROVAL OF MINUTES

4a. Regular City Council – January 11, 2016

Moved by Verbeke; Seconded by Hammond.

RESOLVED: To approve the January 11, 2016 City Council meeting minutes.

VOTE: Yes: Burmeister, Hammond, Kittle, Knight, Mitchell, Verbeke

No: None

Resolution No. 16.01.007

Motion Carried (6–0)

4b. City Council Workshop – January 11, 2016

Moved by Kittle; Seconded by Burmeister.

RESOLVED: To approve the January 11, 2016 City Council Workshop minutes.

VOTE: Yes: Burmeister, Hammond, Kittle, Knight, Mitchell, Verbeke

No: None

Resolution No. 16.01.008

Motion Carried (6–0)

4c. Executive Session – November 9 and December 14, 2015

Moved by Knight; Seconded by Hammond.

RESOLVED: To approve the November 9 and December 14, 2015 City Council Executive Session minutes.

VOTE: Yes: Burmeister, Hammond, Kittle, Knight, Mitchell, Verbeke

No: None

Resolution No. 16.01.009

Motion Carried (6–0)

5. APPOINTMENTS AND PRESENTATIONS

5a. Mayor Pro Tem Mitchell – Oakland County Proclamation for Martin Luther King Day Events

Ms. Mitchell explained the City was recognized by the Oakland County Commissioners for hosting a first Martin Luther King, celebration in the City.

Ms. Kowal read the proclamation.

6. PUBLIC COMMENT

Corey James, representing Community Impact Church, 3545 Auburn Road, announced the church is collecting bottled water for the residents of Flint. The church, who has partnered with a Flint church, hopes to collect 500 cases of bottled water. Donations are being accepted on Sundays, from 9:30 a.m. until 10:30 a.m. and on Wednesdays from 6:30 p.m. until 7:30 p.m. Money donations are also being accepted, and can be donated through the church website, www.mycic.org. All donations, 100%, will be donated to Flint.

7. CONSENT AGENDA

All items listed are considered to be routine by the City council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

7a. Board and Commission Minutes

7a.1. Planning Commission/Brownfield Redevelopment Authority – December 8, 2015

7a.2. Special Pension Board – January 14, 2016

7a.3. Tax Increment Finance Authority – January 12, 2016

Moved by Knight; Seconded by Verbeke.

RESOLVED: To approve the Consent Agenda

VOTE: Yes: Burmeister, Hammond, Kittle, Knight, Mitchell, Verbeke

No: None

Resolution No. 16.01.010

Motion Carried (6–0)

8. OLD BUSINESS

8a. Motion – Approve Contract for Food and Beverage Services for Fieldstone Golf Course

Mr. Tanghe noted the food and beverage service was contracted out a few years ago, and now a new bid was let and four vendors responded to the RFP and proceeded with the mandatory facility walk through. Only one bid was received, Crank's Catering, who is experienced in all aspects of golf course requirements. This agreement has been reviewed by the City Attorney and is similar to the agreement with the previous caterer.

Mr. Knight is in favor of the proposal, however he is concerned that the menu is more of a banquet menu than a golfer grabbing a quick bite. The higher price range seems the same as the predecessor, and he believes that was a reason the golf club restaurant lost some golfers last year.

Michael Crank explained there will be a grill menu available geared more to the golfer that will have burger and beer specials to keep the golfers at the restaurant. Good quantity, good quality and great service is his intention for the restaurant; a good place to bring a family.

Ms. Hammond noted the sample menu is higher priced than what she thought it should be.

Mr. Crank explained the daily grill menu will be more affordable; the grill menu Ms. Hammond is referring to will be similar to the lunch menu and geared more to the corporate lunch visitors. He is aware of specials offered at Hoop's and will have similar daily specials and prices.

Mr. Crank stated he will be involved in the operation, however, Jeff Crank, his uncle, will be the day-to-day person in charge and overseeing the business.

Mr. Kittle noted the importance of keeping the league players at Fieldstone and keep them coming back and suggested the possibility of a pizza oven for post-game players. He asked for clarification regarding the liquor liability if someone gets hurt. The beverage cart sells 20 ounce beers and asked if the size might be changed to a smaller size.

Mr. Crank believed the beverage cart will be selling 12 ounce beverages, though no decisions have been made. Regarding the liability, a policy will have to be established of what to do with those who may bring beverages onto the course from an outside source.

Mr. Marmion believes the beverage will be 12 ounces.

Mr. Kittle suggested making it well known to the golfers that outside beverages are prohibited.

Mr. Tanghe confirmed Crank's Catering will be paying the City \$50,000 for the opportunity to provide restaurant/catering services for Fieldstone, and there is a 15% discount for City functions.

Mr. Kittle feels the 15% discount is cutting close to the break-even point and is curious if that would prohibit other caterers in the community of competing for the City's business. He suggested removing the discount and let others bid for catering opportunities.

Mr. Knight noted the staff of the prior caterer was quite inexperienced and hopes service will be much better. He also believes Mr. Kittle has a good argument for not including the 15% discount, which would allow others to compete for business.

Mr. Crank believes a strong core management will enable a positive experience at the restaurant. He wants a partnership with the City, which is the purpose of the 15% discount.

Ms. Hammond asked, if the previous caterer will be removed from the City owned liquor license and Crank's added once approved.

Mr. Beckerleg confirmed the new company will be added once approved; the previous vendor has already been removed.

Mr. Tanghe explained adding the new caterer to the liquor license will take a few weeks.

Mr. Kittle stated the 15% discount will not amount to much and prefers Crank's to keep that money and be successful.

Mr. Tanghe stated the 15% discount was part of the last agreement and this agreement is much leaner in terms of the money being paid to the City. The percentage of cost share is not included in this agreement, as it was in the previous agreement. The discount is saving money for the taxpayers.

Mr. Marmion stated there is generally only four to six City events that Fieldstone has hosted and/or catered; the 15% discount does not amount to all that much.

Moved by Knight; Seconded by Burmeister.

RESOLVED: To approve the Agreement between the City of Auburn Hills and Crank's Services LLC, for the period of March 1, 2016, through December 31, 2020, under the terms and conditions as set forth in the Agreement; and to authorize the Mayor and City Clerk to execute the Agreement on behalf of the City.

Mr. Knight stated he can amend the motion to exclude the 15% discount, but he believes it is wise to leave the discount as part of the agreement, since there aren't many City events.

Mr. Kittle is fine with leaving the 15% discount in the agreement, but wants this to be a successful venture.

Ms. Mitchell noted there is a review process in the agreement and if necessary, the 15% discount could be revisited at that time. She too, wants this venture to be successful.

**VOTE: Yes: Burmeister, Hammond, Kittle, Knight, Mitchell, Verbeke
No: None**

Resolution No. 16.01.011

Motion Carried (6–0)

8b. Motion – Approve Tax Incentive Review Policy Amendments

Mr. Lohmeier explained the Tax Incentive Review Committee (TIRC) has been interested in reviewing the TIRC policy, making improvements to the transparency and making the process much smoother. As a result of the joint meeting of TIRC and City Council, two changes were suggested:

- Exemption certificates begin at issuance, and not after completion.

Section VII. 4. *The Company agrees the certificate will begin as of the date issued by the State of Michigan and shall not begin after its project completion.*

The new proposed policy language was reviewed by City Attorney Beckerleg. If an abatement is approved while the building is being constructed in the two-year window, the construction is part of the certificate. This will assist in determining when a lease expires and when the business residency requirement claw-back would be applied. This has been the City's past practice.

The second change proposal is:

- Special projects will no longer be identified by number or within dates offered.

Subsection II(E) of the current policy identifies special projects, and allows a total of five. The new proposed language strikes the limit of five special projects, allowing Council to decide on a case-by-case basis.

Mr. Kittle asked for clarification on when the current abatements begin and if that will continue to be the case.

Mr. Lohmeier explained taxes are determined December 31st and includes any construction that has begun during the year; taxes are based on the improvements that have been made to the property as of December 31st. If construction exceeds the two years allowed, a one year extension can be requested.

Regarding Special Projects, Mr. Kittle understands a 12 year abatement is available, however, he asked if it is possible for a company to request an additional four year abatement once the original eight year is nearly expired. He also questioned the word 'Special', noting many people find their particular project 'Special' and maybe that's the driving force behind the requests.

Mr. Lohmeier agreed with Mr. Kittle, but explained the City's policy has an occupancy type and investment level that will allow a certain number of years, dependent on whether the company is manufacturing or engineering, and what is the investment amount. The City's maximum policy is eight years, so if a company spends \$50 million in putting up a brand new building, the maximum under the Policy would be eight years, unless the company came before Council and proved the project would qualify as a 'special project'. Prior to the eight year abatement expiring, the company could seek an additional four years, for a total of a 12 year abatement.

Mr. Kittle believes that with the time it takes to build out, the PPT, and the additional tax revenue generated, it would be advantageous for Council to understand what the cost structure and manpower needs would be in that time frame.

Ms. Verbeke noted she had attended the meeting in which this was discussed, and doesn't believe this draft reflects the discussion and the intended outcome. She doesn't understand the changes and questioned if an applicant would understand the Policy amendments.

Mr. Lohmeier stated he drafted the language based on page two of the application; the language that is used after completion of the project. The language was discussed with City Attorney Beckerleg, resulting in some tweaking and making the process more clear. This application will be in unison with either him or a staff member sitting with the applicant and explaining the process, line-by-line. There was nothing in the Policy that referenced line two of the application.

Ms. Verbeke appreciates staff reviewing the application with the applicant, but is concerned for those looking on-line and their understanding of the application process.

Moved by Kittle; Seconded by Hammond.

RESOLVED: To amend the City of Auburn Hills' Property Tax Incentive Policy, effective January 25, 2016, by adopting the Property Tax Incentive Policy with new effective date of January 25, 2016.

**VOTE: Yes: Burmeister, Hammond, Kittle, Knight, Mitchell, Verbeke
No: None**

Resolution No. 16.01.012

Motion Carried (6–0)

9. NEW BUSINESS

9a. Motion – Request to Waive the Business Residency Required by the Tax Incentive Agreement / Dokka Fasteners, Inc.
Mr. Lohmeier explained Dokka Fasteners, Inc. (Dokka) has submitted a request to waive the business residency “claw back” provision for both the real and personal property, located on Superior Court. The initial request was granted in 2010; the business model has since become unprofitable. The company has lost contracts and orders due to the unstable wind industry in America and the strong U.S. dollar against European competitor’s low priced products.

The real property abatement for this property was originally granted to Faurecia and was transferred to Dokka. Dokka agreed to remain in the facility for an additional four years after the expiration of the certificate on December 30, 2015, as required with the four year extension. Dokka also applied to the State for a PA 328, Personal Property Abatement Exemption, in 2010. The abatements received are \$44,137 for the real property; 50% of the investment amount. The personal property abatement is \$221,578; a total abatement of \$265,715.

Staff recommends waiving the claw-back based on past practices, since Dokka Fasteners is a now closed operation. Many other alternative energy business have also closed. Some of the employees have found jobs at other businesses within the City; Dokka has been trying to find suitable positions for their employees.

Mr. Lohmeier confirmed for Mr. Knight the real property abatement portion ended December 31, 2015; the residency requirement would extend for the next two years. He continued, explaining the personal property abatement carries an additional four years, depending on when the personal property was installed.

Ms. Verbeke asked if this is an all or nothing decision.

Mr. Lohmeier explained the past practice has either been to waive the residency requirement or have the business pay the taxes owed.

Mr. Kittle asked if the company is willing to make a settlement with the City as opposed to the City waiving all of the taxes.

Marc Standquist, Executive Vice President of the Wurth Group, explained in the summer of 2010, the Wurth Group, a German based company, made the decision to put a world class fastener company someplace in the United States. Auburn Hills was chosen for this facility that is unlike any other in the United States. All of their competition is located in Europe, the currency exchange rate in March 2014 was 1.37% and today it’s at 1.08%; the decline in demand was strictly cost. The product can be manufactured nearly 25% less in Europe. The other issue is wind power industry. There was a federal government production tax credit that drove the wind power industry for the last 20 years, but has since expired.

The customer base that Dokka counted on supporting no longer exists. Nordex, a very large German wind power company had a facility in Arkansas, and because of the instability of the wind power tax credit the company shut down the Arkansas facility. Many facilities have closed or cut production, there are only three remaining in the U.S. After losing millions of dollars, it was decided to close the Auburn Hills facility where there were 37 employees. There are only four employees remaining who don’t have a job. They have been good corporate citizens and there are no employees on unemployment. Unlike the previous tenants of the building, the company is not moving to another state. The equipment will be sold or shipped to Norway where the original company resides.

Mr. Kittle remembers when Faurecia closed that facility and Dokka Fasteners moved in. He dislikes seeing any business shuttering their operation especially because of currency economics. The renewable energy movement is a big question mark, with the federal government backing out of their support. He understands and is saddened, but he also has to consider the City’s wellbeing. He would like to reach an amicable amount of payment.

Mr. Knight appreciates why the business didn’t succeed and applauds the effort in finding jobs for their employees, but he sees the company as taking care of all concerned, except the City. The idea of an abatement is the cooperative effort between the community providing good services and the business providing jobs and bringing in taxes. This is a for-profit company that came to the United States seeing a great opportunity to make a profit. He noted there was an understanding of both parties for the abatement and it isn’t the fault of the City for the business failing. He believes the company should pay the full amount due, as an obligation of being in business.

Ms. Hammond noted she has not been in favor of forgiving the claw-back in the past. Services were provided by the City. She is willing to settle on an amount that works for both Dokka and the City.

Mr. Burmeister, too is struggling with the waiving of the claw-back and is willing to discuss a lesser pay-back amount.

Ms. Mitchell echoes Mr. Knight’s sentiment. She also understands the sentiments of the other Council Members and asked Mr. Lohmeier if an alternate amount is possible and can be investigated and brought back to City Council.

Mr. Lohmeier stated it isn’t necessary to make a decision immediately.

Mr. Tanghe stated the City can negotiate an amount with Dokka.

Mr. Knight believes negotiating an amicable amount is setting a precedence and the City should either forgive the debt or demand the payback. If having negotiations with a business is an alternative, then that should be included in the abatement policy.

Mr. Tanghe believes this is very circumstantial, this company is not sneaking out in the middle of the night, they are trying to do what is right; they have gone out of business. This would be a very different situation if this company was just moving

from Auburn Hills to another community and dodging responsibility to the City. An equitable solution can be realized, but not at this evening's meeting.

Moved by Kittle; Seconded by Burmeister.

RESOLVED: To postpone action on the request by Dokka Fasteners, Inc. until staff can negotiate a settlement.

VOTE: Yes: Burmeister, Hammond, Kittle, Knight, Mitchell, Verbeke

No: None

Resolution No. 16.01.013

Motion Carried (6–0)

9b. Motion – Approve PUD Step Two – Site Plan / the Parkways (Area D)

Mr. Cohen explained this request is to construct 30, two story townhouses in Area D of The Parkways. When complete, the Parkways will contain 76 townhomes, 72 stacked flats and a 160 unit congregate care facility. Construction is not anticipated to begin until the fall of 2017. Approval is being sought so Mocerri can complete financing for the project. It is noted that PUD Step Two – Site Plan approvals are granted for three years, thus construction on this phase must start by January 2019 or the approval will expire.

Referring to the site plan, Mr. Knight asked why the break-away gates are necessary and why those roads aren't free-flowing.

Mr. Cohen explained that issue has been resolved, in the past there was concern that this new development would be a burden on the private streets of Forester Square.

Mr. Kittle noted he attended the Planning Commission meeting when this item was discussed and a Forester Square homeowner's association representative also attended that meeting. She was well informed, amicable and was looking forward to the project. The one concern was spill-over parking if there was a big event, but it was noted that wouldn't likely happen more than once or twice a year.

Ms. Hammond is very pleased with the plan, but is disappointed construction won't be starting until 2017.

Brandon Guest, Mocerri representative, explained the issue of not beginning construction until 2017, in that there is a shortage of laborers. He confirmed for Mr. Knight these will be rental units.

Moved by Burmeister; Seconded by Hammond.

RESOLVED: To approve the PUD Step Two – Site Plan for The Parkways Phase Two for the construction of 30 townhouse units subject to staff and consultant's conditions.

VOTE: Yes: Burmeister, Hammond, Kittle, Knight, Mitchell, Verbeke

No: None

Resolution No. 16.01.014

Motion Carried (6–0)

9c. Motion – Approve Text Amendment to Zoning Ordinance / Section 1811. Signs

Mr. Cohen explained City Council amended this ordinance in 2000 to increase the minimum separation requirement for billboards from 1,000 feet to 10,000 feet, limiting the number of future billboards in the City.

In February 2014, the U.S. Court of Appeals upheld a lesser 4,000 foot minimum billboard standard. It is the City Attorney and staff's recommendation to reduce the City's current requirements from 10,000 feet to 4,000 feet, to be in line with the court decision. No additional billboards would be permitted in the City unless approved by the City Council.

Additional recommendations to the ordinance include a better explanation of why the City regulates billboards; update the height and setback requirements to meet modern standards; add provisions for LED digital display on billboards; and any variances of this section can only be granted by the City Council. The 1,000 foot separation from a one family residential district remains, it has not been reduced.

Mr. Cohen confirmed for Ms. Verbeke there are no areas in the City where any more billboards can be constructed, unless through the PUD process or amending an existing consent judgement.

Mr. Kittle asked if the height for the billboard located in front of Big Buck Brewery has been checked. Mr. Cohen stated no, but will forward the information as soon as it's available.

Mr. Cohen confirmed the request for the amendment is because the 10,000 feet may not be enforceable, as indicated by the current case law in Gaines Township.

Ms. Verbeke stated she is not in favor of decreasing from 10,000 to 4,000 feet, but will support the amendment because of the case law. This will also limit the number of additional signs, unless approved by Council.

Moved by Kittle; Seconded by Burmeister.

RESOLVED: To accept the Planning Commission's recommendation and approve the enclosed text amendment to Section 1811. Signs of the Zoning Ordinance amending the standards for billboard signs. The amended ordinance shall be referenced as Ordinance 16-872.

VOTE: Yes: Burmeister, Hammond, Kittle, Knight, Mitchell, Verbeke

No: None

Resolution No. 16.01.015

Motion Carried (6–0)

9d. Motion – Approve Resolution Opposing House Bill 5016

Ms. Carroll explained currently in committee, House Bill 5016 relates to telecommunication lines. Telecommunication companies and other utility companies are asking for special exemptions from the State legislatures. This could impact funding abilities for communities, the road commission, as well as state revenue dollars.

There are other communities that are sending resolutions in opposition to legislatures.

Mr. Knight noted the memo states '*If passed, municipalities would be required to pay a private, for-profit company for moving their telecommunication lines within the public rights-of-way*' and asked who *their* is.

Ms. Carroll explained it refers to a company's utility lines. An example, if there was a major road improvement project and underground lines needed to be relocated, a municipality or other entity would be required to give the telecommunication or utility a one year notice of the construction. If that notice is violated the community or other entity could be fined and responsible for the cost of relocating the line. There will be no exceptions.

Mr. Kittle stated he understands the utility's side, but in the case of Taylor Road improvements, there were merely months from starting the improvement and having it completed.

Responding to Ms. Mitchell, Ms. Carroll stated she hasn't seen any resolution from the neighboring communities, just a few from the west side of the State.

Moved by Verbeke; Seconded by Hammond.

RESOLVED: To approve the attached resolution opposing House Bill 5016.

Mr. Kittle asked, using the Taylor Road example, the City would have been forced to pay a portion of the relocation of any utility lines.

Ms. Carroll stated as the current legislation is written, the cost would be 50% for a public entity. There has been two amendments so far, while in committee. Currently the City would pay nothing towards the relocation of utilities; however, the City also does not charge a utility who has their lines located in the road right-or-ways.

Mr. Tanghe agreed the Taylor Road improvement is a very good example, of not having time to plan a year out for the improvements. The legislature is considering legislation that penalizes one of its own state agencies, such as MDOT.

VOTE: Yes: Burmeister, Hammond, Kittle, Knight, Mitchell, Verbeke

No: None

Resolution No. 16.01.016

Motion Carried (6–0)

10. COMMENTS AND MOTIONS FROM COUNCIL

Ms. Verbeke:

- Reminding those Auburn Hills residents residing in the Pontiac School district, there is a question on the March 8th ballot to support a new millage. She noted an absentee ballot can be obtained by contacting the City Clerk's office.

Mr. Burmeister:

- Asked the status of the Bald Mountain Road barn.
Mr. Tanghe stated the barn has been torn down and everything that could be salvaged is at the DPW facility.
- Noted City Council spent no money this evening.

Mr. Kittle:

- Regarding the smart meter email that was recently received, he found it to be one of the more compelling articles he has read pertaining to the personal information that is gathered and used for profit by others. He is going to keep a watchful eye to see if the article proves true, and if so, he will support a resolution against smart meters.

Mr. Knight:

- In an effort to save money, the Avondale Youth Assistance will not be mailing individual invitations, but City Council is invited to attend the volunteer program on February 2nd, at the Community Center.
- He enjoyed the Martin Luther King celebration program, it was a great program and applauds the staff that planned the event.
- In the TIFA minutes, he read there is concern regarding signage on the entrance ramp to the diverging diamond and asked for reference.

Police Chief Olko explained the area of concern is the northbound ramp onto eastbound University Drive. There is a question if a driver must stop before proceeding on a red light. MDOT has been asked if adding additional signage would be beneficial or possibly a flashing red light, since there have been a number of minor crashes. She also noted turning left on a red light from a one way road to another one way road is permissible.

Mr. Tanghe stated the concerns the City receives are being passed to MDOT, who has jurisdiction over the bridge.

- The gate at Pixley Funeral Home was allowed to be open accessing Cherryland but not on Juniper, for funeral processions. He doesn't believe the gate accessing Juniper should be closed since it isn't a real cut-through. When

going east on Auburn Road, a flower box blocks the view of the Juniper street entrance and suggests the box be removed. He would also like to see lane striping on Juniper, up to the curve.

- He was surprised at staff's recommendation on the Dokka issue.

11. CITY ATTORNEY'S REPORT - none

12. CITY MANAGER'S REPORT

- Commended staff of the Community Development Department for the northeast corner neighborhood planning event that was held. There were more than 100 people in attendance. For those who'd like to learn more, they can contact the Community Development Department.
- He and Mr. Cohen recently were invited to participate in an OU master plan meeting. Discussion included some future buildings, including a 750 bed residential dorm.
- The City is currently entertaining an offer for the 17 acres located downtown, which the City purchased, anticipating redevelopment.

- Mr. Knight asked about the Oakland University master plan and if there is any plans for Butler Road.

Mr. Tanghe stated that topic was not discussed, but there is always conversation about the road. The Board of Trustees have not changed their stance of granting any type of road right-of-way easement for the paving of Butler Road. The greatest challenge will be funding if the road right-of-way is ever granted.

Mr. Knight stated City Council, 25 years ago, promised the voters of the City that every road would be paved when the millage was approved. That promise has not been fulfilled.

- Phase one of the River Walk project includes the construction of a 500 seat amphitheater at Riverside Park. There will be an 800 square foot, brick paver plaza, with a motion activated spray pad for children. The plaza pavers are available for adoption through a donation drive ranging in price \$100 to \$500; more information is located on the City's web site, www.auburnhills.org. Funding the project will continue through the year, with construction beginning in 2017. The City has received some large corporate donations as well as from a family foundation. The price tag for the project is \$1 million, and TIFA has donated \$275,000; the remaining funding will be from private donations.

Ms. Hammond asked if there is another means for donations other than the City's website.

Mr. Tanghe stated forms are available at the front desk of City Hall, as well as the Community Center and the Library.

13. ADJOURNMENT

Hearing no objections, the meeting adjourned at 8:42 p.m.

Kevin R. McDaniel, Mayor

Terri Kowal, City Clerk

Attachment A

RESOLUTION IN OPPOSITION TO HOUSE BILL 5016

WHEREAS, the Michigan House of Representatives is currently considering House Bill 5016; and
WHEREAS, this bill would require municipalities reimburse a telecommunications provider a portion of relocation costs if a community fails to notify the provider at least one year in advance of a project that will require relocation of their lines; and
WHEREAS, utilities already benefit from the free use of the public rights-of-way that would otherwise be very costly to purchase; and
WHEREAS, this house bill will eliminate the City's ability to charge for a permit fee, inspection fee or survey cost when a relocation is required; and
WHEREAS, this legislation sets a negative precedent in the state that could lead to other utility providers seeking the same provisions; and
WHEREAS, House Bill 5016 has a negative fiscal impact on local units of governments across the state; and
NOW, THEREFORE BE IT RESOLVED, that the City Council of Auburn Hills strongly opposes House Bill 5016.

ADOPTED by the City Council of the City of Auburn Hills, this 25th day of January, 2016.

Yeas: Mayor Pro Tem Mitchell, Council Members Burmeister, Hammond, Kittle, Knight, Verbeke

Nays: None

Absent: Mayor McDaniel

Resolution No. 16.01.016 Adopted (6-0)

Certification:

I, Terri Kowal, the duly appointed City Clerk of the City of Auburn Hills, County of Oakland, State of Michigan, do hereby certify that the foregoing is a resolution adopted by the Auburn Hills City Council at their regular meeting held on January 25, 2016.

Terri Kowal, City Clerk